20 May 1965

MEMORANDUM FOR THE RECORD

SUBJECT: 20 May Committee Hearing on Foreign Service Amendments, H.R. 6277

1. attended the first day of hearings yesterday when the Administration's principal witness, Secretary William J. Crockett, testified. It was understood that Mr. Crockett would appear at the second day of hearings also, but he failed to show. Public witnesses were heard instead, representing veterans' and Federal employees' unions. At the commencement of the hearings, only the Subcommittee Chairman, Congressman Wayne Hays, (D., Ohio), was present. Later Congressman Rosenthal, Morse, Monagan showed up.

- 2. The key points made by the public witnesses were:
- (a) By the veterans' organizations, against section 25 (a), which makes the Veterans' Preference Act of 1944 inapplicable to officers and employees of the Foreign Service. Their point was that under the authority given the President under section 22 to transfer GS personnel to the Foreign Service career system, the transfer would have a practical effect of being an ex post facto law by taking away the veterans' preference right from personnel so transferred.

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- (b) By the Federal employees' unions, against the transfer authority and the adoption of uniform personnel policy placing rank in the man rather than rank in the job, as is presently done for General Schedules. Of particular concern was the fact that Foreign Service compulsory retirement is age 60 as compared to Civil Service mandatory retirement age of 70, and that older GS's who transfer will be selected out in all probability and will find it hard to obtain another Federal position. Hays agreed that this was a good point for the older employees and stated that he would do something to protect them by giving them some sort of equity in longevity beyond age 60, during the initial period of the changeover. Hays also said that he would make sure that section 22, in plain language, would provide the employee with the election to opt for the new system. Other points raised were that section 4 does not require the Secretary to provide an appeal procedure for selection out, and that section 23 provides for a "star chamber" procedure for selection out. This latter point, Hays was quick to point out, was in error because he had insisted that section 23 be included and that the intent of it is to assure that if there is a personality conflict between the reporting official and the rated employee, there would be an independent evaluation by the Chief of Mission.
- 3. Mr. Johnson, President of the Carnegie Endowment Foundation, appeared in a private capacity, but was one of the key members and organizers of the Herter Committee, which produced the report supporting unified personnel system for foreign affairs along the lines of H.R. 6277. The only warning point raised by Mr. Johnson was that section 12, which eliminated the time limit/assignments in Washington, D.C., may have the effect of fractionating the career service into those assigned on a more or less permanent basis to headquarters and those assigned mostly overseas. He recognized that was not the intent of the provision but said its Administration should be carefully watched.
- 4. Mr. Hays answered most of the points raised against the bill by arguing that it is almost impossible to get rid of incompetents under the Civil Service System; that the people who are really good do not seem to need the assurances of veterans' preference, Civil Service appeals procedures, etc; that the selection out system will be run judiciously because it has been so run in the past; that if the bill is not approved, and yet the objective is determined to be in our national interest, the only alternative would be to phase out all

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General Schedules as they retire and leave and replace them with Foreign Service personnel.	STAT
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